

## ELECTRONIC GOVERNMENT

Budget Summary							
Fund	2002-03 Base Year Doubled	2003-05 Governor	2003-05 Jt. Finance	2003-05 Legislature	2003-05 Act 33	Act 33 Change Over Base Year Doubled	
						Amount	Percent
PR	\$264,976,600	\$0	\$0	\$0	\$0	- \$264,976,600	- 100.0%

FTE Position Summary						
Fund	2002-03 Base	2004-05 Governor	2004-05 Jt. Finance	2004-05 Legislature	2004-05 Act 33	Act 33 Change Over 2002-03 Base
PR	230.30	0.00	0.00	0.00	0.00	- 230.30

### Budget Change Items

#### 1. BASE BUDGET REDUCTION [LFB Paper 295]

PR	- \$1,024,600
----	---------------

**Governor/Legislature:** Delete \$512,300 annually in base level expenditure authority in the Department's services appropriation. The services appropriation supports the following agency general program operations: (a) computer services, telecommunications services, and supercomputer services to state authorities, units of the federal government, local governmental units, and entities in the private sector; (b) electronic communications services to these same entities; (c) electronic communications services to state agencies; (d) printing, mail processing, and information technology processing services to state agencies; and (e) information technology development and management services to executive branch agencies. Revenue credited to the appropriation is generated from charges for computer services, printing and mail services, and assessments to state agencies for departmental services.

#### 2. ELIMINATE THE DEPARTMENT OF ELECTRONIC GOVERNMENT [LFB Paper 295]

Funding Positions		
PR	- \$263,952,000	- 230.30

**Governor:** *Repeal of the Agency.* Eliminate the Department of Electronic Government (DEG) and transfer its functions, duties, and the attached Information Technology Management Board to the Department of Administration (DOA), effective 30 days

after publication of the bill. Delete \$131,976,000 and 230.3 positions annually in DEG. Eliminate the position of chief information officer (the individual who serves as the Secretary of the Department of Electronic Government).

*Transition Provisions.* Specify that 30 days after the publication of the bill: (a) the assets and liabilities of DEG would become the assets and liabilities of DOA; (b) all full-time equivalent positions in DEG (other than the positions occupied by the Secretary, the Deputy Secretary, the executive assistant, and two of the three statutorily authorized division administrator positions as determined by the Secretary of DOA) would be transferred to DOA; (c) all tangible personal property, including records, of DEG would be transferred to DOA; (d) all contracts entered into by DEG that are in effect on that date remain in effect and would be transferred to DOA; (e) DOA would be required to carry out any contractual obligations under contracts entered into by DEG until the contracts are modified or rescinded by DOA to the extent allowed under the contracts; (f) all rules promulgated by DEG that are in effect on that date would remain in effect until their specified expiration dates or until amended or repealed by DOA; (g) all orders issued by DEG that are in effect on that date would remain in effect until their specified expiration dates or until modified or rescinded by DOA; and (h) any matter pending with DEG on that date would be transferred to DOA, and all materials submitted to or actions taken by DEG with respect to the pending matter would be considered as having been submitted to or taken by DOA.

Specify that all incumbent employees holding positions subject to transfer from DEG would be transferred to DOA. Specify that: (a) all transferred employees would retain the same rights and employee status in DOA that they enjoyed in DEG immediately prior to transfer; and (b) no transferred employee who had attained permanent status in his or her classified position would be required to serve a new probationary period.

Provide that during the period between the general effective date of the bill and 30 days after that date, the annual appropriations of DEG provided for the 2002-03 fiscal year would remain in effect, except that DEG could not expend or encumber more than one-twelfth of the amounts appropriated for the 2002-03 fiscal year from each appropriation.

*Current Law.* DEG was created in 2001 Wisconsin Act 16 to manage and oversee information technology and telecommunications activities of state agencies and to assist state agencies with information technology issues. Resources for the Department were provided by transferring the funding and staffing associated with two information technology-related divisions under DOA.

Generally under current law, executive branch agencies (other than the University of Wisconsin System) are required to obtain information technology processing services from DEG, and DEG may assess fees for its services. In addition, DEG may remove information technology functions from executive branch agencies and assume control of the functions directly. DEG may also provide certain services to state authorities, local governments, units of the federal government, private schools, postsecondary institutions, museums, zoos, and other entities in the private sector. Under current law, DEG has the authority to make purchases

without public notice or solicitation of bids or proposals and is not required to adhere to certain other purchasing requirements that apply to other state agencies.

In addition to the powers and duties given to DEG, current law also grants certain powers relating to information technology management to the chief information officer, who serves as the Secretary of DEG. Most information technology and telecommunications purchases by executive branch agencies (other than the University of Wisconsin System) are subject to prior approval by the chief information officer.

Currently, the Information Technology Management Board is attached to DEG. This Board: (a) advises the chief information officer; (b) provides the chief information officer with its recommendations concerning elements of strategic plans referred to the Board by executive branch agencies; (c) monitors progress in attaining goals for information technology and telecommunications development that are set by the chief information officer or by executive branch agencies (other than the University of Wisconsin System) and may make recommendations concerning appropriate means of attaining such goals; and (d) hears appeals by executive branch agencies concerning actions of the chief information officer.

*Net Fiscal Effect.* Following the repeal of DEG, expenditure authority of \$130,459,200 and 208.3 positions annually would be provided in DOA for the information technology functions currently being performed by DEG, resulting in a net annual reduction of \$1,516,800 and 22.0 positions. Additional statutory modifications to DEG's current powers and duties would be made subsequent to their transfer to DOA and are described under that agency.

**Joint Finance/Legislature:** Include the Governor's recommendation to eliminate DEG. For additional modifications to the Governor's recommendations for information technology services in DOA, see "Administration -- Transfers to the Department."

[Act 33 Sections: 4, 9, 31 thru 33, 39, 42, 51, 82, 98, 113 thru 115, 172, 190, 191, 197, 198, 202, 203, 206 thru 208, 212, 213, 215, 216, 217c, 218, 231 thru 233, 235, 276, 305, 570, 572, 574, 589, 635, 636, 638 thru 640, 642d thru 645, 731, 750, 751, 753 thru 800, 874, 935, 1706, 2314d, 2315, 2324, 2347, 2395, 2472, 2672, 9115(1)&(2), 9215(1), and 9415(1)]